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October 10, 2002

BY HAND AND E-MAIL

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, M 02110

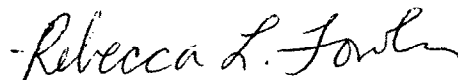
Re: Fitchburg Gas and Electric Light Company, D.T.E. 98-84/EFBSB 98-5

Dear Ms. Cottrell:

Enclosed for filing in the above-referenced proceeding, please find an original and nine (9) copies of the Reply Comments of Fitchburg Gas and Electric Light Company.

Thank you for your attention to this matter.

Very truly yours,



Rebecca L. Fowler

RLF:va

cc: William H. Stevens, Jr., Hearing Officer
Selma Urman, Hearing Officer
Service List

(b84114)

Investigation by the Department of
Telecommunications and Energy and the Energy
Facilities Siting Board, on their own motions,
commencing a Notice of Inquiry and Rulemaking
into (1) rescinding 220 C.M.R. § 10.00 et seq., and
(2) exempting electric companies from any and
all of the provisions of G.L. c. 164 Section 69I

I. INTRODUCTION

II. REPLY COMMENTS

Generally, FG&E supports the exemption of electric companies from G.L. c. 164, §69I as that provision pertains to filing long range forecasts, along with the repeal of 220 C. M. R. 10.00 et seq., and the use of the annual reports as proposed by the Department and the Siting Board as a central element of an alternative process.

FG&E's reply comments focus on the particular issues discussed below:

- Five-Year Forecasts. FG&E agrees with the recommendation that a 5 year, rather than a 10 year, planning horizon be implemented for forecasts and system studies. A 5 year planning horizon is simply more realistic when considering distribution projects. Although transmission system studies for FG&E are performed to a 10 year level, FG&E budgets its distribution, substation, and transmission projects on a 5 year basis, with most of the emphasis on the first and second years. This reduced timeframe recognizes that there is uncertainty with respect to long-term forecasted projects, which tend to change in scope over time and may be speculative in nature. In addition, these long-term planning forecasts would typically be required for generation planning and large transmission projects, which are currently planned regionally by ISO-New England and coordinated with the transmission owners or affected parties.
- Customer Specific Data. Regarding forecasts containing customer specific data, FG&E is concerned with the confidential nature of this information. Care must be taken to safeguard customer specific data. FG&E proposes that this information be omitted from any public record and only provided as Department order may allow.
- Quantity of Data. FG&E recommends that a conservative approach be taken on the quantity of data and the extent of reporting that will be required as a result of this proceeding. Extensive reporting requirements may not ensure desired results; instead, performance should be the ultimate goal and measurement. Results as measured by the various reliability indices of and reporting required by Performance Based Regulation may be a more effective measure of performance.
- Transmission Project Reporting. FG&E reiterates its concern with §II.B.2., which requires reporting on construction or upgrades on transmission lines, including any line with a voltage of 69 kV or greater, regardless of the purpose of the project. If this provision is adopted, FG&E's system, which is primarily one of distribution as outlined in the seven-factor test established by the Federal Energy Regulatory Commission in Order No. 888, may be required to report on those sections of FG&E's distribution system which serve load at 69 kV and above even though they are not transmission. FG&E does not believe that the public interest will be served by subjecting these facilities to additional layers of regulatory reporting.

III. CONCLUSION

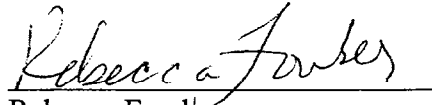
FG&E appreciates the opportunity to provide these reply comments and supports the Department's and Siting Board's work in developing an alternative process to the filing of long range forecasts by electric companies as required by G. L. c. 164, § 69I.

(BS84103)

CERTIFICATE OF SERVICE

I, Rebecca Fowler, certify that I have served a copy of the Reply Comments of Fitchburg Gas and Electric Company in D.T.E. 98-84/EFSB 98-5 on each of the individuals on the service list on file with the Secretary of the Department of Telecommunications and Energy.

Dated at Boston, Massachusetts, this 10th day of October 2002.


Rebecca Fowler

(b84103)